CNG in metro cities

910. PROF. M.M. AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that pollution in Kolkata, Mumbai, Chennai and Bangalore is growing;

(b) if so, the details of planning formulated by Government for using CNG to control pollution in these Metro cities; and

(c) the steps taken to provide CNG in these cities?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) Use of CNG as auto fuel is being encouraged to reduce pollution in various cities. At present, CNG is being supplied in a big way to the metropolitan cities of Mumbai and Delhi only where 106 and 133 CNG outlets respectively have been set up. CNG will be progressively introduced in other polluted cities, including Kolkata, Chennai and Bangalore with the expansion of the pipeline infrastructure and the increased availability of natural gas, and also subject to economic viability.

Review of pricing mechanism

911. SHRI K. RAMA MOHANA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government are contemplating for a complete overhaul of the existing pricing mechanism for petrol, diesel, LPG and Kerosene;

(b) whether Government are moving in this direction due to increase in the crude oil prices in the international market; and

(c) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) The Government is constantly monitoring/ reviewing the pricing of sensitive petroleum products namely petrol, diesel, kerosene and LPG.

The international prices of crude oil and petroleum products decisively

impacts the domestic prices. With a view to containing the burden of increase in international prices on consumers of the above sensitive petroleum products, it was decided that the burden should be equitably shared by consumers, the Government and oil companies. Government for its part, have reduced the duties on sensitive products effective 19-8-2004 and subsequently in the current budget. The Oil Marketing Companies (OMC), in accordance with administrative instructions, have been modulating impact of high oil prices on domestic retail prices of sensitive products.

Government pricing policy constantly attempts to strike a proper balance among the interests of all stake-holders, including consumers, OMCs and the Government.

Production of Oil from New find in Rajasthan

912. SHRIMATI SUKHBUNS KAUR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the UK based Cairn Energy has offered a plan based on an oil find in Barmer District of Rajasthan, aimed at producing 1,25,000 barrel of crude per day by mid-2007;

(b) if so, the details of the plan offered; and

(c) Government's decision in regard thereto?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) M/s. Cairn Energy India Pvt. Ltd., operator of block RJ-ON-90/1 in Barmer District of Rajasthan, has submitted a Development Plan, which is under examination in DGH. The plan envisages oil production @ 1,08,000 barrel per day by October, 2007 for a period of five years with an investment of about US$ 1934 million.

Revision in dealers commission

913. SHRI N.R. GOVINDRAJAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have received representations from Petroleum Dealers Association for the increase in dealers' commission to make it economically viable;